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Financing of the United Nations Mission of Support in East Timor

Budget for the United Nations Mission of Support in East Timor for the period from 1 July 2004 to 30 June 2005

Report of the Secretary-General

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Summary

The present report contains the budget for the United Nations Mission of Support in East Timor (UNMISET) for the period from 1 July 2004 to 30 June 2005, which amounts to $9,395,600, inclusive of budgeted voluntary contributions in kind in the amount of $10,000.

The budget provides for the phased downsizing of administrative staff comprising 120 international and 133 national staff as well as 20 United Nations Volunteers, and for the liquidation of the Mission by 31 December 2004.

The total resource requirements for UNMISET for the financial period from 1 July 2004 to 30 June 2005 have been linked to the Mission's objective through a results-based support-component framework. The financial resources for operational items have been linked to the support component by identifying quantitative outputs for expenditure classes under operational costs.

The explanations of variances in levels of resources, both human and financial, have been linked, where applicable, to specific outputs planned by the Mission.

Financial resources

(Thousands of United States dollars. Budget year is from 1 July to 30 June.)

Category	*Expenditures (2002/03)*	*Apportionment (2003/04)*	*Cost estimates (2004/05)*	*Variance*	
				Amount	*Percentage*
Military and police personnel	131 110.2	90 325.4	—	(90 325.4)	(100.0)
Civilian personnel	64 806.2	52 950.8	4 253.3	(48 697.5)	(92.0)
Operational costs	92 024.7	65 551.3	5 132.3	(60 419.0)	(92.2)
Gross requirements	**287 941.1**	**208 827.5**	**9 385.6**	**(199 441.9)**	**(95.5)**
Staff assessment income	8 232.9	6 554.3	566.8	(5 987.5)	(91.4)
Net requirements	**279 708.2**	**202 273.2**	**8 818.8**	**(193 454.4)**	**(95.6)**
Voluntary contributions in kind (budgeted)	60.0	60.0	10.0	(50.0)	(83.3)
Total requirements	**288 001.1**	**208 887.5**	**9 395.6**	**(199 491.9)**	**(95.5)**

Human resources

	Military observers	*Military contingents*	*Civilian police*	*Formed police units*	*International staff*	*National staff*	*United Nations Volunteers*	*Total*
Executive direction and management								
Approved 2003/04	—	—	—	—	19	7	—	**26**
Proposed 2004/05	—	—	—	—	—	—	—	—
Stability, democracy and justice								
Approved 2003/04	—	—	—	—	92	77	33	**202**
Proposed 2004/05	—	—	—	—	—	—	—	—
Internal security and law enforcement								
Approved 2003/04	—	—	550	125	4	70	—	**749**
Proposed 2004/05	—	—	—	—	—	—	—	—
External security and border control								
Approved 2003/04	95	3 405	—	—	3	45	—	**3 548**
Proposed 2004/05	—	—	—	—	—	—	—	—
Support component								
Approved 2003/04	—	—	—	—	281	729	176	**1 186**
Proposed 2004/05[a]	—	—	—	—	120	133	20	**273**
Total								
Approved 2003/04	95	3 405	550	125	399	928	209	**5 711**
Proposed 2004/05	—	—	—	—	120	133	20	**273**
Net change	**(95)**	**(3 405)**	**(550)**	**(125)**	**(279)**	**(795)**	**(189)**	**(5 438)**

[a] Represents highest level of proposed strength.

The actions to be taken by the General Assembly are set out in section IV.

I. Mandate and planned results

1. The Mission is mandated to help the Security Council achieve an overall objective, namely, to maintain international peace and security. Within this overall objective, the Mission was mandated by the Council to carry out activities to ensure the long-term stability and security of Timor-Leste.

2. Pursuant to Security Council resolution 1410 (2002) of 17 May 2002, the full devolution by UNMISET of all its operational responsibilities to the Timor-Leste authorities will be completed by 20 May 2004. Accordingly, by 30 June 2004, all military and civilian police personnel will be repatriated to their home countries and all international substantive and most administrative staff will be returned to their parent organizations, reassigned to other peacekeeping missions or repatriated to their home countries. National staff will also be substantially reduced by 30 June 2004.

3. The Mission's liquidation team, charged with the responsibility of bringing the Mission to administrative closure by 31 December 2004, will contribute to the expected accomplishment by delivering related key outputs under the support component, as shown in the framework below.

Component 1: Support

Expected accomplishments	*Indicators of achievement*
1.1 Effective and efficient liquidation of the Mission	1.1.1 Completion of disposal of United Nations assets, with an inventory value of over $50.9 million, by 31 December 2004
	1.1.2 Staff drawdown completed by 31 December 2004
	1.1.3 Completion of financial transactions and closure of field bank accounts by 31 December 2004
	1.1.4 Government of Timor-Leste's acceptance of all real estate formerly occupied by the Mission by 31 December 2004

Outputs

Civilian personnel

- 273 civilian staff administered

Facilities and infrastructure

- Buildings in 5 compounds maintained
- 31 generators maintained
- 64 properties returned to the Government of Timor-Leste

Ground transportation

- 108 vehicles maintained

Communications

- 145 staff (average for the period, based on the drawdown schedule) provided uninterrupted communications services

Information technology

- 96 staff (average for the period, based on the drawdown schedule) provided uninterrupted information technology services

Medical

- 250 medical treatment cases attended to

Other supplies, services and equipment

- 6 major shipments made
- 16,464 items of United Nations-owned equipment donated to the Government of Timor-Leste
- 2,141 items of United Nations-owned equipment disposed of through sale
- 1,226 items of United Nations-owned equipment shipped to United Nations Logistics Base at Brindisi and other missions
- 5,500 financial transactions made
- 6 major contracts closed
- 50 purchase orders completed

External factor • Status-of-forces agreement will continue to be recognized

Human resources: Support component

	International staff										
Civilian staff	*USG -ASG*	*D-2 -D-1*	*P-5 -P-4*	*P-3 -P-1*	*Field Service*	*General Service*	*Security Service*	***Subtotal***	*National staff*	*United Nations Volunteers*	***Total***
Approved 2003/04	—	3	32	41	193	12	—	**281**	729	176	**1 186**
Proposed 2004/05[a]	—	3	20	17	75	5	—	**120**	133	20	**273**
Net change	—	—	**(12)**	**(24)**	**(118)**	**(7)**	—	**(161)**	**(596)**	**(156)**	**(913)**

[a] Represents the highest level of proposed strength.

Expected accomplishments/output

Effective and efficient liquidation of the Mission

Output

- All outputs indicated under "Component 1: Support" above

Justification

The proposed staffing establishment of UNMISET would provide for the effective and efficient liquidation of the Mission by contributing to the delivery of outputs indicated under "Component 1: Support" above. It comprises core administrative, logistical support and technical personnel tasked with the administrative closing of the Mission, handover of premises, facilities and equipment to the Government of Timor-Leste, shipment of the Mission's assets suitable for other peacekeeping operations to the recipient missions or to the United Nations Logistics Base at Brindisi for temporary storage and in situ disposal of remaining items.

II. Resource requirements

1. Overall

(Thousands of United States dollars. Budget year is 1 July to 30 June.)

				Variance	
	Expenditures[a] (2002/03)	*Apportionment (2003/04)*	*Cost estimates (2004/05)*	*Amount*	*Percentage*
Category	*(1)*	*(2)*	*(3)*	*(4)=(3)-(2)*	*(5)=(4)÷(2)*
Military and police personnel					
Military observers	4 365.9	3 346.5	—	(3 346.5)	(100.0)
Military contingents	100 040.6	71 309.2	—	(71 309.2)	(100.0)
Civilian police	26 703.7	12 991.9	—	(12 991.9)	(100.0)
Formed police units	—	2 677.8	—	(2 677.8)	(100.0)
Subtotal	**131 110.2**	**90 325.4**	**—**	**(90 325.4)**	**(100.0)**
Civilian personnel					
International staff[b]	50 519.4	43 696.4	3 903.6	(39 792.8)	(91.1)
National staff[b]	3 600.7	2 871.0	151.5	(2 719.5)	(94.7)
United Nations Volunteers	10 686.1	6 383.4	198.2	(6 185.2)	(96.9)
Subtotal	**64 806.2**	**52 950.8**	**4 253.3**	**(48 697.5)**	**(92.0)**
Operational costs					
General temporary assistance	6 838.1	3 955.5	—	(3 955.5)	(100.0)
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	4 264.7	3 260.9	—	(3 260.9)	(100.0)
Official travel	1 170.2	721.8	94.5	(627.3)	(86.9)
Facilities and infrastructure	20 348.2	15 317.2	2 541.2	(12 776.0)	(83.4)
Ground transportation	8 518.1	3 844.8	81.0	(3 763.8)	(97.9)

Category	Expenditures[a] (2002/03)	Apportionment (2003/04)	Cost estimates (2004/05)	Variance	
				Amount	Percentage
	(1)	(2)	(3)	(4)=(3)-(2)	(5)=(4)÷(2)
Air transportation	32 753.5	24 279.6	—	(24 279.6)	(100.0)
Naval transportation	913.0	1 124.4	—	(1 124.4)	(100.0)
Communications	7 352.3	5 173.1	699.1	(4 474.0)	(86.5)
Information technology	893.9	898.0	124.9	(773.1)	(86.1)
Medical	4 282.3	3 000.8	154.8	(2 846.0)	(94.8)
Special equipment	1 361.4	1 091.0	—	(1 091.0)	(100.0)
Other supplies, services and equipment	3 329.0	2 884.2	1 436.8	(1447.4)	(50.2)
Quick-impact projects	—	—	—	—	—
Subtotal	**92 024.7**	**65 551.3**	**5 132.3**	**(60 419.0)**	**(92.2)**
Gross requirements	**287 941.1**	**208 827.5**	**9 385.6**	**(199 441.9)**	**(95.5)**
Staff assessment income	8 232.9	6 554.3	566.8	(5 987.5)	(91.4)
Net requirements	**279 708.2**	**202 273.2**	**8 818.8**	**(193 454.4)**	**(95.6)**
Voluntary contributions in kind (budgeted)[c]	60.0	60.0	10.0	(50.0)	(83.3)
Total requirements	**288 001.1**	**208 887.5**	**9 395.6**	**(199 491.9)**	**(95.5)**

[a] Reflects adjusted distribution of approved resources between military and police personnel and operational costs categories of expenditure.

[b] Based on the complete phasing out of civilian personnel, as opposed to the 20 and 15 per cent vacancy rates applied in 2003/04 for international and national staff, respectively.

[c] Cost estimates for 2004/05 are inclusive of $10,000 from the government of the Northern Territory, Australia, for office premises in Darwin.

III. Analysis of variances[1]

Reference

This section describes the single largest contributing factor of each resource variance according to specific standard options encompassed in the four standard categories listed below:

Mandate: Variances caused by changes in the scale or scope of the mandate, or changes in the expected accomplishments as driven by the mandate;

External: Variances caused by parties or situations external to the United Nations;

Cost parameters: Variances caused by United Nations regulations, rules and policies;

Management: Variances caused by management actions to achieve planned results more effectively (e.g., by reprioritizing or adding certain outputs) or efficiently (e.g., by taking measures to reduce personnel or operational inputs while maintaining the same level of outputs), and/or from performance-related issues (e.g., by having underestimated the costs or quantities of inputs required to produce a certain level of outputs, or by delayed recruitment).

	Variance	
Military observers	($3,346.5)	(100%)

- **Mandate: liquidation of the Mission**

4. The variance of $3,346,500 is attributable to the repatriation of all military observers prior to 1 July 2004.

	Variance	
Military contingents	($71,309.2)	(100%)

- **Mandate: liquidation of the Mission**

5. The variance of $71,309,200 is attributable to the repatriation of all military contingents prior to 1 July 2004.

	Variance	
Civilian police	($12,991.9)	(100%)

- **Mandate: liquidation of the Mission**

6. The variance of $12,991,900 is attributable to the repatriation of all civilian police personnel prior to 1 July 2004.

[1] Resource variance amounts are expressed in thousands of United States dollars.

	Variance	
Formed police units	($2,677.8)	(100%)

- **Mandate: liquidation of the Mission**

7. The variance of $2,677,800 is attributable to the repatriation of all formed police units prior to 1 July 2004.

	Variance	
International staff	($39,792.8)	(91.1%)

- **Mandate: liquidation of the Mission**

8. The variance of $39,792,800 is attributable to a significant reduction in international staff costs owing to the progressive downsizing of international staff and completion of their repatriation by 31 December 2004. The estimated resource requirements are based on the assumption that 90 per cent of international staff would hold appointments of limited duration.

	Variance	
National staff	($2,719.5)	(94.7%)

- **Mandate: liquidation of the Mission**

9. The variance of $2,719,500 is attributable to a significant reduction in national staff costs owing to the progressive downsizing of national staff and completion of their separation from the Mission by 31 December 2004. The G-4, step I, level of the national staff salary scale has been used as the basis for the determination of national staff costs.

	Variance	
United Nations Volunteers	($6,185.2)	(96.9%)

- **Mandate: liquidation of the Mission**

10. The variance of $6,185,200 is attributable to a significant reduction in United Nations Volunteers costs owing to the progressive downsizing of the corps of Volunteers and their complete repatriation by 31 December 2004.

	Variance	
General temporary assistance	($3,955)	(100%)

- **Mandate: liquidation of the Mission**

11. The variance of $3,955,500 is attributable to the repatriation of all advisers of the Civilian Support Group prior to 1 July 2004.

	Variance	
Consultants	($3,260.9)	(100%)

- **Mandate: liquidation of the Mission**

12. The variance of $3,260,900 is attributable to the repatriation of all consultants of the Civilian Support Group prior to 1 July 2004.

	Variance	
Official travel	($627.3)	(86.9%)

- **Mandate: liquidation of the Mission**

13. The variance of $627,300 is attributable to a significant reduction in official travel requirements. Provision is made for travel within the Mission area in connection with liquidation activities and for the travel of staff from United Nations Headquarters to the Mission to provide in situ assistance in the liquidation.

	Variance	
Facilities and infrastructure	($12,776)	(83.4%)

- **Mandate: liquidation of the Mission**

14. The variance of $12,776,000 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for the purchase of various supplies and procurement of services in connection with the operation and maintenance of facilities and infrastructure of the Mission during the liquidation period, as well as for the making good of premises and environmental clean-up of facilities used by the Mission, prior to their handover to the Government of Timor-Leste.

	Variance	
Ground transportation	($3,763.8)	(97.9%)

- **Mandate: liquidation of the Mission**

15. The variance of $3,763,800 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for the cost of operation of the Mission's fleet of vehicles and the short-term rental of specialized vehicles during the liquidation period. By 1 July 2004, the Mission's vehicle fleet establishment will be reduced from 1,250 military and civilian vehicles to 108.

	Variance	
Air transportation	($24,279.6)	(100%)

- **Mandate: liquidation of the Mission**

16. The variance of $24,279,600 is attributable to the repatriation of all of the Mission's air assets prior to 1 July 2004.

	Variance	
Naval transportation	($1,124.4)	(100%)

- **Mandate: liquidation of the Mission**

17. The variance of $1,124,400 is attributable to the repatriation of all of the Mission's naval assets prior to 1 July 2004.

	Variance	
Communications	($4,474)	(86.5%)

- **Mandate: liquidation of the Mission**

18. The variance of $4,474,000 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for commercial communications (usage and transponder lease charges, local telephone charges, pouch and postage) as well as spare parts for the maintenance of the Mission's communication networks during the liquidation period and for the refurbishment of equipment shipped to the United Nations Logistics Base.

	Variance	
Information technology	($773.1)	(86.1%)

- **Mandate: liquidation of the Mission**

19. The variance of $773,100 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for information technology services, software licences and fees, as well as spare parts and supplies for the operation of the Mission's information technology systems during the liquidation period.

	Variance	
Medical	($2,846)	(94.8%)

- **Mandate: liquidation of the Mission**

20. The variance of $2,846,000 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for the emergency treatment of international and national staff and for the contracting of emergency medical evacuation services during the liquidation period on an as-needed basis.

	Variance	
Special equipment	($1,091)	(100%)

- **Mandate: liquidation of the Mission**

21. The variance of $1,091,000 is attributable to the repatriation of all contingent-owned special equipment prior to 1 July 2004.

	Variance	
Other supplies, services and equipment	($1,447.4)	(50.2%)

- **Mandate: liquidation of the Mission**

22. The variance of $1,447,400 is attributable to a significant reduction in requirements owing to the liquidation of the Mission. Provision is made for the purchase of various supplies, freight and related costs and services for the removal of unexploded ordnance from target ranges used by the Mission's military and formed police units.

IV. Actions to be taken by the General Assembly

23. **The actions to be taken by the General Assembly in connection with the financing of the Mission are:**

(a) **Appropriation of the amount of $9,385,600 for the liquidation of the Mission for the 12-month period from 1 July 2004 to 30 June 2005;**

(b) **Assessment of the amount in paragraph (a) above for the period from 1 July 2004 to 30 June 2005.**

V. Summary of follow-up action taken to implement requests and recommendations of the Advisory Committee on Administrative and Budgetary Questions and the Office of Internal Oversight Services

A. Advisory Committee on Administrative and Budgetary Questions

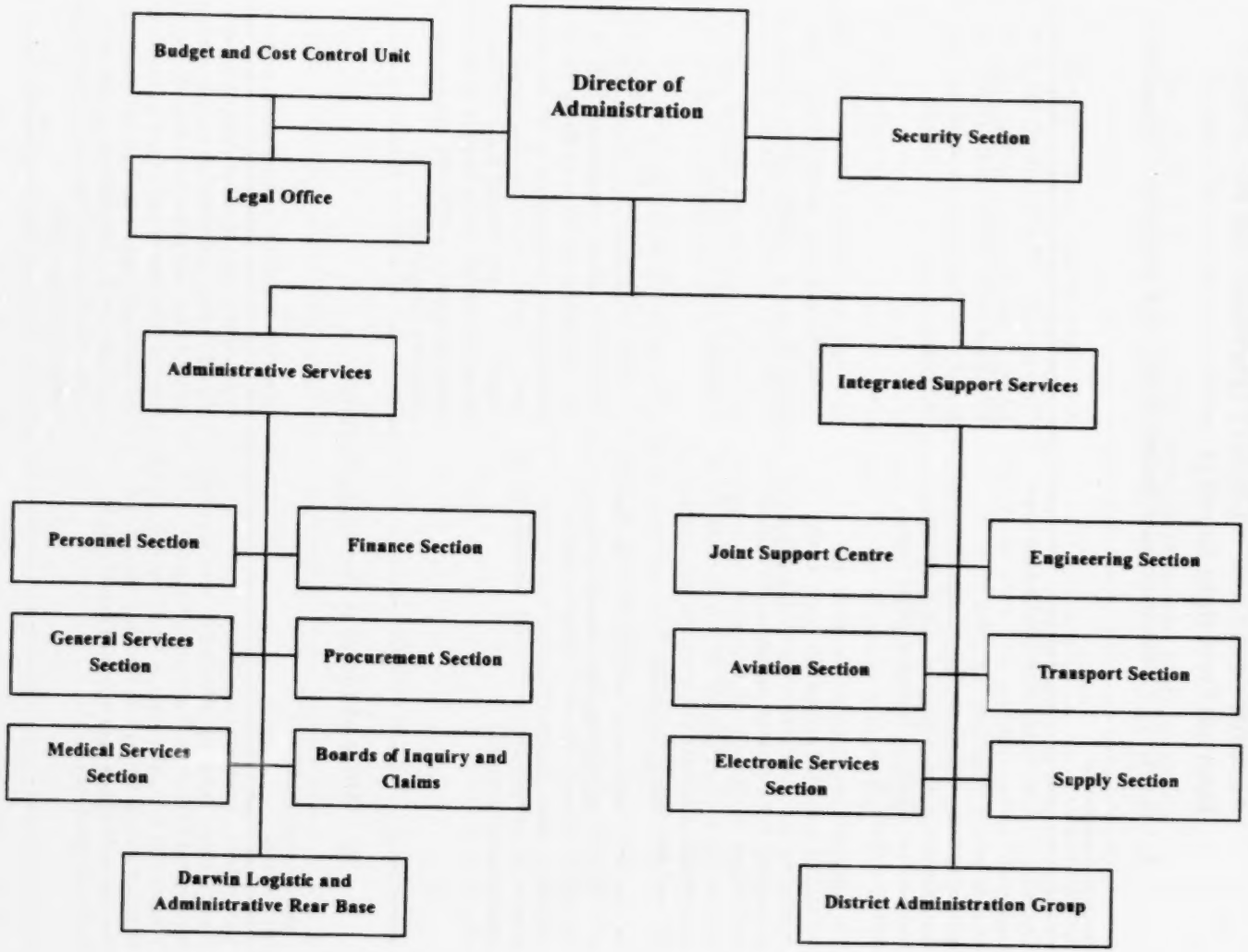
Request/recommendation (see A/57/772/Add.11)	*Action taken to implement request/recommendation*
The Advisory Committee considers that the large amounts of savings regularly realized by the Mission on prior-period obligations indicate a laxity in obligating funds and illustrate weakness in budget implementation and monitoring. The Committee requests that efforts be made to address these problems (para. 6).	The validity of all obligations is being strictly reviewed by certifying officers. In addition, regular reviews have been undertaken with respect to both current and prior-period obligations so as to ensure that they are liquidated in a timely manner.
The Advisory Committee recommends that UNMISET and other partners in Timor-Leste collaborate and coordinate their efforts with a view to ensuring that a durable law-and-order capacity is established. To that end, the Committee requests that information on work that has already been done and future plans to achieve this objective be included in the next proposed budget (para. 20).	Information on collaboration and coordination between UNMISET and other partners with respect to the establishment of a durable law-and-order capacity in Timor-Leste is contained in the report of the Secretary-General to the Security Council on UNMISET dated 6 October 2003 (S/2003/944, paras. 30-36).
In view of the anticipated termination of the mandate of UNMISET on 20 May 2004, the Advisory Committee requests that early steps be taken to prepare an assets-disposal plan and that a report thereon be submitted to the General Assembly for its consideration (para. 22).	A report on the donation of assets to the Government of Timor-Leste dated 19 September 2003 (A/58/192/Add.1) was provided to the General Assembly for its consideration. Information on the implementation of the assets-disposal plan of the Mission and the actual disposition of the donated assets will be provided to the General Assembly in the context of the final disposition of assets report of UNMISET upon completion of the Mission's liquidation.

B. Office of Internal Oversight Services

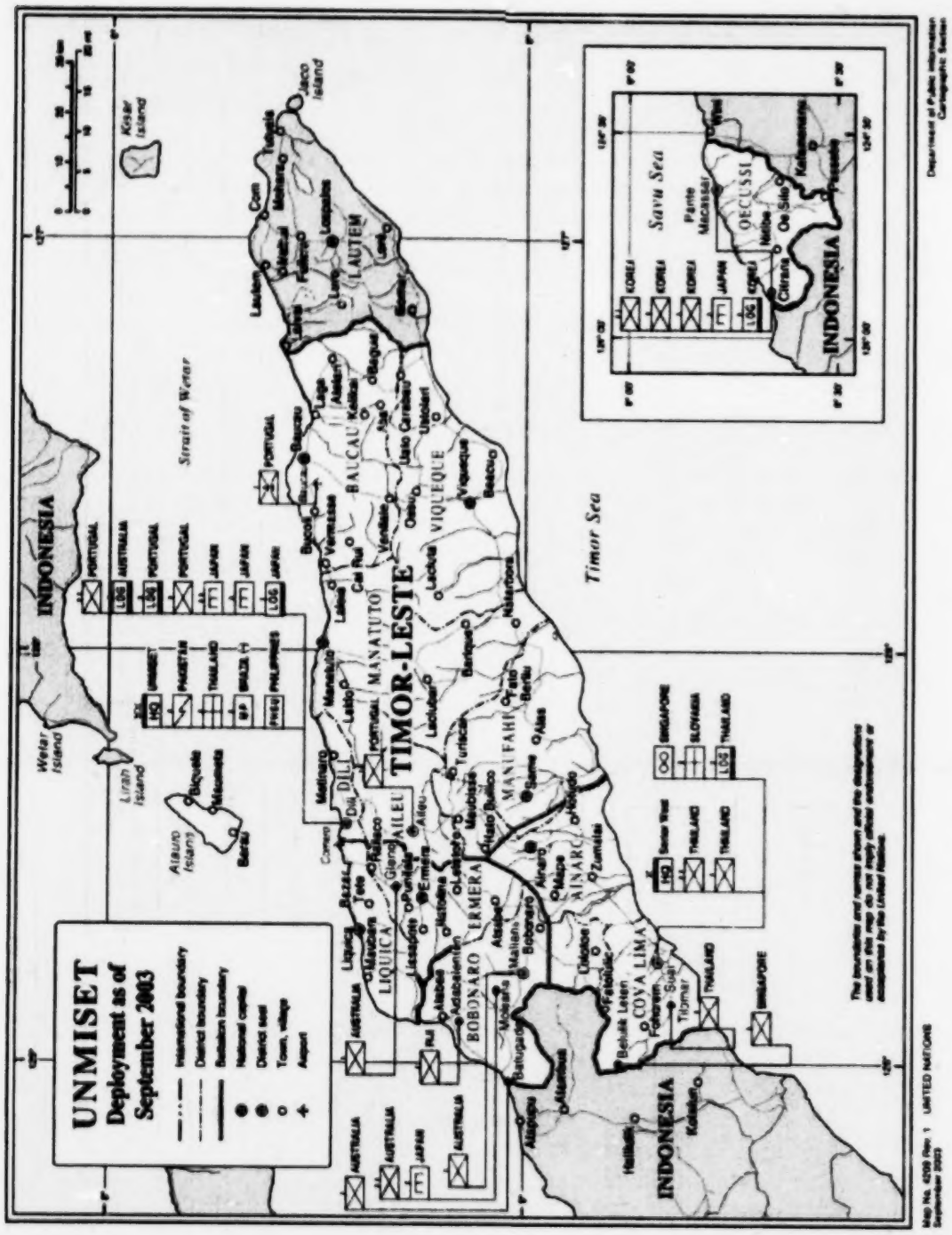
Request/recommendation (see A/58/364)	*Action taken to implement request/recommendation*
The Office of Internal Oversight Services Investigations Division investigated several reports that United Nations staff at United Nations Transitional Administration in East Timor provided falsified official letters that afforded non-United Nations individuals access from Timor-Leste to Australia (para. 55).	Implemented. The Mission stopped the use by its staff of United Nations letterhead to request Australian visas, reviewed internal procedures regarding the use of United Nations documentation in the visa application process and instituted regular reviews of these procedures. Additionally, the Government of Australia introduced tighter border-control checks for the Mission personnel travelling to Australia.

Annex

Organization chart



Map


UNMISET
Deployment as of
September 2003
TIMOR-LESTE
INDONESIA
Timor Sea
Savu Sea
Strait of Wetar
DILI
LIQUICA
AILEU
ERMERA
BOBONARO
MANATUTO
MANUFAHI
AINARO
VIQUEQUE
LAUTEM
COVA LIMA
BALCAU
OECUSSI
Wetar Island
Kisar Island
Leran Island
Alor Island
Jaco Island
Atauro Islands
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